

CITY COUNCIL AGENDA REPORT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO, CALIFORNIA, APPROVING AND ADOPTING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE CALEXICO MUNICIPAL EMPLOYEES ASSOCIATION AND AUTHORIZING THE CITY MANAGER TO SIGN THE MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE CITY

AGENDA DATE: May 20, 2009

PREPARED BY: Jessica Falk Michelli, Deputy City Attorney

APPROVED FOR AGENDA BY: Ralph Velez, City Manager

RECOMMENDATION: Approve resolution.

FISCAL IMPACT: Previously approved impact on General Fund.

BACKGROUND: Employer-Employee Relations for the City are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act, and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico." Approval of the terms and conditions of new employment agreements between the City and bargaining units requires a meet and confer process pursuant to the Government Code.

Section 15 of the City's Employer-Employee Relations Resolution of the City of Calexico provides: "When the meeting and conferring process is concluded between the City and a formally recognized employee organized representing a majority of the employees in an appropriate unit, all agreed upon matters shall be incorporated in a written memorandum of understanding signed by the duly authorized City and majority representatives. As to those matters within the authority of the City Council, the memorandum of understanding shall be submitted to the City Council for determination."

The Memorandum of Understanding ("MOU") between the City and the Calexico Municipal Employees Association ("CMEA" or "bargaining unit") for fiscal years 2005-2008 expired on June 30, 2008. Pursuant to Article 1, Section 2 of the expired MOU, the terms and conditions of the expired MOU remain in place governing matters until a new MOU is agreed upon by the City and CMEA.

The City's Negotiation Team, composed of the City Manager, Finance Director, Human Resources Director, and a representative from the Office of the City Attorney, and representatives of CMEA held numerous "meet and confer" sessions regarding terms for a new MOU.

The City's negotiation team and CMEA team have reached agreement for a new MOU for the period of July 1, 2008 through June 30, 2009; the new one-year MOU is before the City Council for approval. The MOU before the Council has been ratified and approved by the membership of the bargaining unit. Upon approval of the Resolution before the City Council, the MOU shall reflect the sole agreement of the parties and supersede all prior agreements whether written or oral.

DISCUSSION:

The economic changes from the previous MOU are as follows:

- 1) No cost of living salary adjustment shall be provided for the duration of the MOU.
- 2) CMEA has agreed to be responsible for payment of the employee's full share of the Federal Insurance Contribution Act (FICA) tax, which includes Social Security and Medicare, at the contribution limits established by federal law.
- 3) The City and CMEA agree that those employees that are "Y" rated or at the top step will receive a one-time 5% salary adjustment during fiscal year 2008-2009. Such salary adjustment shall be given at the time the employee is first required to pay his/her full share of the employee contribution for social security/FICA.
- 4) CMEA has agreed to be subject to work furlough in an amount equivalent to one (1) pay period for the fiscal year, effective July 1, 2008, provided that all City employees are subject to work furlough. One pay period is defined as 1/26th an employee's annual salary equal to the amount reported to PERS, as per Govt. Code section 20636. If, and only if, CMEA is subject to work furlough, each member will receive one additional floating holiday to use during fiscal year 2008-2009.
- 5) The City and CMEA agree to a change in the City's Health Plan. The City agrees to pay the full costs of the increased medical expenses between July 1, 2008 and December 31, 2008, for the insurance plan that is selected. The bargaining unit member agrees to pay half of the increased cost of the medical care expenses from January 1, 2009 to June 30, 2009 for the insurance plan that is selected, but in any event, no more than the costs of Option 3.
- 6) The City agrees to provide a health allowance for those employees who opt out of the City's health insurance coverage for the following reasons: 1) employee's spouse has a more attractive benefit package through the spouse's employer; and/or 2) employee is married to another City employee. The monthly health allowance is \$385.10 for family and \$182.24 for single. Employees may use the health allowance to enhance their dental program or to purchase additional supplemental coverage through contracted medical providers with the City.

- 7) CMEA agree that if an employee requests that the City make a payroll deduction to allow for payment of a service or benefit through a non-medical and/or non-contracted provider with the City, a biweekly processing fee of \$5.00 will be added by the City to pay for the processing of the payroll deduction and payment. This \$5.00 processing fee shall not apply to payroll deductions for union dues.
- 8) CMEA has agreed to changes in the Retiree Health Plan, including a provision whereby eligible employees who retire after July 1, 2008 shall have the option of selecting the pre-1993 retiree health coverage (lifetime medical coverage for \$120.00 a month, with Medicare the primary insurance at age 65) or the post-1993 retiree health coverage (medical coverage will cap at age 65). The changes also involve a provision that employees hired after July 1, 2008 shall not be entitled to medical insurance coverage when they retire from City service.
- 9) The City agrees to implement a 9/80 work schedule for all non-safety employees effective no later than January 1, 2009. Overtime rates will be calculated solely based on the Fair Labor Standards Act ("FLSA") as all time worked in excess of 40 hours in the employee's work week. Overtime is paid at 1.5 times the employee's regular hourly rate.

The non-economic changes from the previous MOU are as follows:

- 1) All references to "Association" in the MOU will be changed to "Union."
- 2) The City agrees that all notices required by the MOU or by law will be delivered to both the Chapter President and to Service Employees International Union ("SEIU") Local 221.
- 3) The City agrees that with the exception of public safety dispatchers, all employees shall be entitled to a minimum 30-minute duty free lunch period. Public safety dispatchers shall remain on-call during a paid 30-minute lunch period, and must remain in a designated area during their meal break.
- 4) The City agrees that an employee called back to duty after being released from work shall be released from duty when he/she completes the given assignment.
- 5) The City and CMEA have agreed to the addition of advisory arbitration of grievances as a means to resolve a grievance that is not resolved by agreement between the City and the bargaining unit. A grievance is defined as a claim, charge, or dispute involving, a) the interpretation or application of any City rules, regulations, ordinance, or resolution affecting an employee's wages, hours, or conditions of work, or b) the interpretation or application of the provisions of the MOU. A grievance does not include any challenge to a disciplinary action. The advisory arbitration shall be non-binding, and advisory to the City Manager who shall render a final written decision regarding resolution of the grievance. Each party to a hearing before an arbitrator shall bear his own expenses in connection with the arbitration. All fees and

expenses of the arbitrator shall be borne one-half by the City and one-half by the grievant.

- 6) The City and the bargaining unit have agreed to the establishment of a Labor-Management Committee, for the purpose of discussing matters of mutual concern outside of the scope of representation and matters related to the administration of the MOU. The Committee shall be composed of three (3) representatives of the bargaining unit and one (1) staff representative from the Union and up to four (4) representatives of the City. The Committee shall meet at least quarterly, or upon the written notification of either party for the purpose of discussing matters of mutual concern.
- 7) The City agrees that it shall deduct, as a condition of employment, dues or service fees in accordance with the Union dues and service fee schedule, from the wages of all employees who are members of the bargaining unit on the date of the execution of the MOU.

Attachments: MOU (29 pages, plus Appendix C and 3/3/00 Addendum to the MOU)

Agenda Item No. ____
Page ____ Of ____

RESOLUTION NO. 2009-_____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO,
CALIFORNIA, APPROVING AND ADOPTING A MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY AND THE CALEXICO MUNICIPAL
EMPLOYEES ASSOCIATION AND AUTHORIZING THE CITY MANAGER TO
SIGN THE MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE
CITY**

WHEREAS, Employer-Employee Relations for the City of Calexico (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act, and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico"; and

WHEREAS, the Memorandum of Understanding between the City and SEIU/Calexico Municipal Employees Association (hereinafter, "bargaining unit") for fiscal years 2005-2008 expired on June 30, 2008; and

WHEREAS, the City's Negotiation Team, composed of the City Manager, Finance Director, Human Resources Director, and a representative from the Office of the City Attorney, and representatives of the bargaining unit held numerous "meet and confer" sessions regarding terms for a new Memorandum of Understanding (hereinafter, "MOU"); and

WHEREAS, the City and the bargaining unit have reached agreement for a new MOU for the period of July 1, 2008 through June 30, 2009; and

WHEREAS, Section 15 of the Employer-Employee Relations Resolution of the City of Calexico provides: "When the meeting and conferring process is concluded between the City and a formally recognized employee organized representing a majority of the employees in an appropriate unit, all agreed upon matters shall be incorporated in a written memorandum of understanding signed by the duly authorized City and majority representatives. As to those matters within the authority of the City Council, the memorandum of understanding shall be submitted to the City Council for determination." and

WHEREAS, by vote of the bargaining unit membership, the bargaining unit is formally represented by the Calexico Municipal Employees Association/Service Employees International Union Local 221, CTW, CLC (hereinafter, "Union"); and

WHEREAS, the MOU is entered into by and between the City and the Union; and

WHEREAS, the MOU has been ratified and approved by the membership of the bargaining unit;

WHEREAS, upon approval of this Resolution by the City Council, the MOU shall reflect the sole agreement of the parties and supersede all prior agreements whether written or oral; and

NOW, THEREFORE, be it resolved, determined, and ordered by the City Council of the City of Calexico:

Section 1. The above recitals are true and correct, and are deemed to be findings by the City Council.

Section 2. The Memorandum of Understanding between the City and the Union referenced herein is hereby approved and adopted, and the City Council authorizes the City Manager to sign the Memorandum of Understanding on behalf of the City.

PASSED, ADOPTED and APPROVED this ____ day of ____ 2009, by the following City Council of the City of Calexico.

Louis A. Fuentes, Mayor
City of Calexico,
California

ATTEST AND CERTIFICATION:

I hereby certify that this is a true and correct copy of Resolution No. ____.


LOURDES CORDOVA, City Clerk
City of Calexico, California

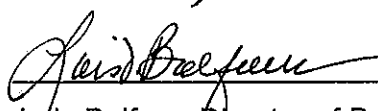
APPROVED AS TO FORM:

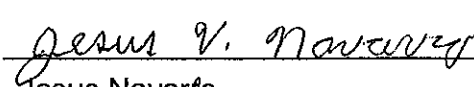
JENNIFER M. LYON, CITY ATTORNEY


- A. A Labor-Management Committee shall be established for the purpose of discussing matters of mutual concern outside of the scope of representation and matters related to the administration of this Agreement.
- B. The Committee shall be composed of three representatives (3) of the bargaining unit and one (1) staff representative from the Union and up to four (4) representatives of the City.
- C. The committee shall meet at least quarterly, or upon the written notification of either party for the purpose of discussing matters of mutual concern. Grievances and disciplinary actions shall not be discussed at such meetings. Matters subject to the duty to bargain may be discussed, however, the Labor-Management Committee shall not have the authority to add to, amend, or modify this agreement.


CALEXICO MUNICIPAL EMPLOYEES' ASSOCIATION


 5.7.09
Sharon-Frances Moore, President SEIU Local 221 Date

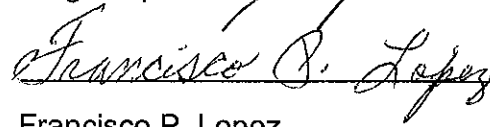
 5/7/09
Lois Balfour, Director of Bargaining and Training, SEIU Local 221 Date

 5/7/09
Jesus Navarro Date

 5/7/09
Pete Gastelum Date

 05-07-09
Gloria Grijalva Date

 05/07/09
Diego Lopez Date

 5/7/09
Francisco P. Lopez Date